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Amendment No. 1 to HB3626

**Curtiss
Signature of Sponsor**

AMEND Senate Bill No. 3590*

House Bill No. 3626

By deleting the first subdivision in Section 1 of the bill and by substituting instead the following:

() "Public automobile auction" means any motor vehicle dealer licensed to sell used motor vehicles, and which dealer is licensed as a public automobile auctioneer by the Tennessee auctioneer commission, and is offering motor vehicles for sale to the highest bidder where buyers are members of the public; provided, that no public automobile auction as herein defined shall otherwise limit the auctioning of used motor vehicles exclusively to licensed motor vehicle dealers or their duly authorized agents;

AND FURTHER AMEND by deleting § 62-19-128(a) in Section 4 of the bill and by substituting instead the following:

(a) Public automobile auctions shall be licensed and regulated by the Tennessee Auctioneer Commission and the Tennessee Motor Vehicle Commission when engaged in the sale of motor vehicles.

AND FURTHER AMEND by adding the following new subsections to § 62-19-128 in Section 4:

(c) Prior to a motor vehicle being subject to a public automobile auction, the public automobile auctioneer shall verify that such motor vehicle has a clean and unencumbered title, by obtaining a valid motor vehicle title history from the department of revenue or if such motor vehicle is registered in a state other than Tennessee, the appropriate titling agency in such other state.

(d) All public automobile auctions must take place at the established place of business listed on the motor vehicle dealer license.

(e) The public automobile auction shall not sell new or unused motor vehicles or vehicles with a Manufacturer's Statement of Origin.

(f) The public automobile auctioneer shall take possession of and retain title to each motor vehicle offered for sale at the auction. If the sale is finalized on a motor vehicle, the owner of the vehicle shall sign the title over to the public automobile auctioneer who shall then sign the title over to and deliver the title to the buyer on the date of the sale. If a sale of the vehicle is not made, then the unsigned title shall be returned to the owner of the vehicle who offered the vehicle for sale at the auction. At all times, the public automobile auction shall be deemed the seller of the motor vehicle with the same duties and responsibilities as other licensed motor vehicle dealers.

AND FURTHER AMEND by adding the following as new sections and renumbering the remaining sections accordingly:

SECTION 5. Tennessee Code Annotated, Section 55-17-102, is amended by adding the following language as new, appropriately designated subdivisions:

() "Public automobile auction" means any motor vehicle dealer licensed to sell used motor vehicles, and which dealer is licensed as a public automobile auctioneer by the Tennessee auctioneer commission, and is offering motor vehicles for sale to the highest bidder where buyers are members of the public; provided, that no public automobile auction as herein defined shall otherwise limit the auctioning of used motor vehicles exclusively to licensed motor vehicle dealers or their duly authorized agents;

() "Public automobile auctioneer" means any individual who, for a fee, commission, or any other valuable consideration, or with the intention or expectation of receiving the same, by the means or process of auction or sale at auction, offers,

negotiates, or attempts to negotiate a listing contract, sale, purchase or exchange of goods, including motor vehicles;

SECTION 6. Tennessee Code Annotated, Section 55-17-109, is amended by adding the following as a new subsection thereto:

(d) Public automobile auctions shall be licensed and regulated by the Tennessee Auctioneer Commission and the Tennessee Motor Vehicle Commission when engaged in the sale of motor vehicles.

SECTION 7. Tennessee Code Annotated, Section 55-17-114(b)(1), is amended by adding the following as new subdivisions thereto:

(P) Prior to a motor vehicle being subject to a public automobile auction, the public automobile auctioneer shall verify that such motor vehicle has a clean and unencumbered title, by obtaining a valid motor vehicle title history from the department of revenue or if such motor vehicle is registered in a state other than Tennessee, the appropriate titling agency in such other state.

(Q) All public automobile auctions must take place at the established place of business listed on the motor vehicle dealer license.

(R) The public automobile auction shall not sell new or unused motor vehicles or vehicles with a Manufacturer's Statement of Origin.

(S) The public automobile auctioneer shall take possession of and retain title to each motor vehicle offered for sale at the auction. If the sale is finalized on a motor vehicle, the owner of the vehicle shall sign the title over to the public automobile auctioneer who shall then sign the title over to and deliver the title to the buyer on the date of the sale. If a sale of the vehicle is not made, then the unsigned title shall be returned to the owner of the vehicle who offered the vehicle for sale at the auction. At all times, the public automobile auction shall be deemed the seller of the motor vehicle with the same duties and responsibilities as other licensed motor vehicle dealers.

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